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Effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights

Note by the Secretary-General

The Secretary-General has the honour to transmit to the members of the General Assembly the report of the independent expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights, Cephas Lumina, submitted pursuant to Human Rights Council resolutions 11/5 and 20/10.

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Report of the independent expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights

Summary

International financial institutions typically link the provision of loans, grants and debt relief to the implementation, by borrower countries, of economic reforms that often involve tight macroeconomic and fiscal policies, cuts in Government expenditure, public sector reform, privatization of public services and trade liberalization. The present report describes how such often harmful policies undermine the obligation of States to protect, promote and fulfil human rights, and how they have contributed to the impoverishment of millions around the world.

The report argues that women are disproportionately affected by debt and related conditionalities, and that debt and related economic reform policies have, in many contexts, contributed significantly to the impoverishment and marginalization of women, making basic social services even more inaccessible to them, thus deepening gender inequality and contributing to the feminization of poverty. It highlights the fact that most of the world's poor people, 6 in 10, are women and that this factor, and the routine exclusion of women from decision-making at all levels, increases their vulnerability to the negative impacts of the policies described above and the conditionalities introduced by their adoption.

The report recommends that States address the disproportionate impact of debt and related policy conditionalities on women by, inter alia, fully upholding their obligations relating to women's rights through the adoption of gender-sensitive policies and strategies. It also calls upon international financial institutions and other lenders to end the practice of linking harmful policy conditionalities to loans and debt relief programmes.

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I. Introduction

1. Excessive foreign debt burdens have an adverse impact on the realization of human rights and development in debtor countries through the diversion of resources from basic social services and through the policy conditionalities[1] attached to international debt relief mechanisms.

2. There is extensive evidence that the diversion of scarce national resources from basic education, health and infrastructure services to debt servicing significantly reduces the capacity of many poor developing countries to establish the conditions for the realization of human rights, particularly economic, social and cultural rights, or to make progress towards the achievement of the Millennium Development Goals.[2] In addition, the conditions that indebted countries typically have to fulfil in order to qualify for loans or debt relief not only undermine country ownership of national development strategies,[3] they often compel further reductions in Government spending on basic services and the implementation of other economic reforms, including privatization and trade liberalization, in order to generate funds for debt servicing. Under such circumstances, several human rights, including the rights to education, health, adequate housing, work, food, water and sanitation, are placed under threat or violated and millions face poorer living conditions.

3. The effects of debt-servicing and policy conditionalities are not gender-neutral. Owing to their traditional role in society, and the multiple forms of discrimination that they suffer, women tend to be disproportionately affected by debt and associated economic restructuring policies. The prevalence of women in informal employment, their heavy burden of work, their role in caring for children and for ailing and elderly family members, their limited access to land, property and social security, their primary role in providing food and water for their families and their prevalence in subsistence agriculture leave women vulnerable to the economic hardship associated with debt and austerity (A/64/279).

4. Responses to debt crises that involve cuts in public spending on social services, downsizing of the State apparatus and the liberalization of trade and labour markets primarily affect women, inter alia, by: reducing their access to health, education, water and food; curtailing their protection under social safety nets, which are mostly

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[1] The term "conditionalities" refers to macroeconomic targets, policy and institutional reforms that a debtor State must achieve or implement in order to receive (or continue to receive) loans or relief on old debts.

[2] A/HRC/12/WG.2/TF/2, para. 87; see also International Development Association (IDA) and the International Monetary Fund (IMF), "Heavily Indebted Poor Countries (HIPC) Initiative and Multilateral Debt Relief Initiative (MDRI): Status of Implementation and Proposals for the Future of the HIPC Initiative", 8 November 2011; and World Health Organization (WHO) and United Nations Children's Fund (UNICEF), Countdown to 2015 Decade Report.

[3] See, for example, Sabine Michalowski, "Sovereign Debt and Social Rights: Legal Reflections on a Difficult Relationship", *Human Rights Law Review*, vol. 8, No. 1 (2008), p. 5; and Noel G. Villaroman, "A fate worse than debt: an alternative view of the right to development and its relevance to the external debt problem of developing countries", unpublished thesis, Monash University, Australia, 2010, pp. 65-69. It is widely accepted that country ownership of national development strategies is the foundation of development effectiveness and aid effectiveness; see United Nations Conference on Trade and Development (UNCTAD), *The Least Developed Countries Report 2010: Towards a New International Development Architecture for LDCs* (United Nations publication, Sales No. E.10.II.D.5).

designed to protect male breadwinners; forcing women into precarious and unsafe jobs in the informal economy; and imposing further responsibilities for caring for the family on women.

5. The economic models traditionally adopted to respond to debt problems are predominantly designed taking into account the practices and institutions underpinning a country's formal economy. However, in most countries, particularly developing countries, women's economic activity and social engagement takes place, for the most part, in the informal economy. Thus, economic models and budget formulations rarely respond to the needs of women. This leads to an ever-growing gap between men and women's opportunities to enjoy their economic, social and cultural rights, as well as to participate fully and actively in public life and social development.

6. Using the human rights principles of equality, non-discrimination and participation as a framework for analysis, the report discusses the impact of foreign debt and related policy conditionalities on the realization of women's rights, in particular their economic, social and cultural rights.

II. Framework for analysis

7. The principles of equality, non-discrimination and participation are essential components of human rights law and their comprehensive observance is vital for women in achieving the realization of their human rights.[4] In order to reduce existing inequalities between men and women, all States have an obligation to ensure non-discrimination.[5] This cross-cutting obligation is an immediate one that is binding on all States, regardless of their level of development and even in times of severe resource constraints.[6] While States are under the obligation to address direct discrimination found in laws, policies and practices overtly affecting women, they must also tackle any indirect discrimination found in apparently neutral measures or practices in the public or private sphere, which, de facto, have a detrimental effect on women.[7]

8. Accordingly, ensuring non-discrimination against women entails repealing discriminatory laws, policies and practices, incorporating the principle of equality and non-discrimination in all laws and policies, prioritizing the needs of women, facilitating the participation of women in decision-making on policies and issues affecting their lives, allocating equitable resources and services to ensure the realization of women's rights and guaranteeing that the prohibition of discrimination against women is respected by private actors.

9. Non-discrimination and equality also imply the obligation to recognize and respond to the differences and specific needs of women. The requirement that "likes should be treated alike" addresses formal exclusionary norms. Nonetheless,

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[4] See E/C.12/GC/20, para. 2.

[5] See for example Universal Declaration of Human Rights, article 2; International Covenant on Civil and Political Rights, article 3; International Covenant on Economic, Social and Cultural Rights, article 3; and Convention on the Elimination of Discrimination against Women.

[6] See CEDAW/C/GC/28, para. 29; Committee on Economic, Social and Cultural Rights, general comment No. 3, para. 1; and E/C.12/GC/20, paras. 7 and 13.

[7] CEDAW/C/GC/28, para. 16, and E/C.12/GC/20, para. 10.

protection against discrimination needs to go further to include some special measures, or affirmative action, to rectify the cumulative adverse effects of structural and historical inequalities on the rights of women. This can help level the playing field and obtain substantive equal treatment for women.[8] In this regard, article 4, paragraph 1, of the Convention on the Elimination of All Forms of Discrimination against Women stresses the need for temporary special measures to accelerate de facto equality between men and women.[9]

10. The principles of equality, non-discrimination and participation are reflected in the comprehensive international human rights legal framework which is focused on ensuring the enjoyment of all human rights and eliminating all forms of discrimination against women. In addition to the Convention on the Elimination of All Forms of Discrimination against Women, other international instruments also contain explicit provisions guaranteeing women equality with men in the enjoyment of the rights they enshrine, including the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights, the Convention on the Rights of the Child, the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families and the Convention on the Rights of Persons with Disabilities.

11. The Convention on the Elimination of All Forms of Discrimination against Women elaborates on the meaning of non-discrimination based on sex. Under the Convention, States parties are required to adopt laws, policies, plans and programmes to eliminate the many different forms of sex-based discrimination that women face. The Convention guaranteed the equal rights of men and women with regard, inter alia, to education, work and work-related benefits, social security and health care.[10]

12. Under article 7 of the Convention, States parties must adopt all appropriate measures to ensure equal participation of women in the formulation and implementation of government policy, as well as guarantee the right to hold public office.

13. The Convention devoted particular attention to the situation of rural women and urged States to take into account their role in the economic survival of their families, as well as their work in the non-monetized sectors of the economy.[11] It urged States parties to: (a) adopt all appropriate measures to ensure that women in general, and rural women in particular, enjoy adequate living conditions, especially in relation to housing, sanitation, electricity and water supply, transport and communications; (b) participate in the elaboration and implementation of development planning at all levels; (c) have access to adequate health-care facilities and social security programmes; (d) have access to agricultural credits, marketing facilities and technology; and (e) enjoy equal treatment in land and agrarian reform, as well as in land resettlement schemes.[11]

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[8] See E/C.12/GC/20, paras. 9 and 12.

[9] See Convention on the Elimination of Discrimination against Women, general recommendation No. 25 (2004).

[10] See Convention on the Elimination of Discrimination against Women, articles 10, 11 and 12.

[11] Ibid., article 14.

14. Other notable international documents addressing women's rights include the Beijing Declaration and Platform for Action adopted at the Fourth World Conference on Women, held in Beijing in 1995, the Political Declaration adopted at the five-year review of the Fourth World Conference in 2000, the Doha Declaration on Financing for Development (2008) and various conventions of the International Labour Organization (ILO).[12]

15. In the Beijing Declaration, Member States made a commitment to ensure the implementation of women's rights and to implement and monitor gender-sensitive policies and programmes, including development programmes, with the full participation of women. It highlighted the role of women as agents of development and as key contributors to the economy and to the fight against poverty through their remunerated and unremunerated work. However, it stressed that, despite their vital role in the community, many women are denied access to education, employment, housing and economic self-sufficiency and are excluded from decision-making processes. Moreover, families where mothers are the main economic support are often among the poorest because of wage discrimination, occupational segregation patterns in the labour market and other gender-based barriers. These limitations obstruct the potential of women to contribute to their communities and to development. For these reasons, the Beijing Platform for Action urged States to promote women's independence and to eradicate the burden of poverty on them by addressing the structural causes of poverty and ensuring their equal access to productive resources, opportunities and public services. The Platform thus recognized that the empowerment of women is a critical factor in the eradication of poverty.[13]

16. The Platform also dealt comprehensively with the issue of debt as it affects women. It stressed that foreign debt and structural adjustment programmes had directly affected women, mainly as a result of the reduction in social expenditures and the shift of responsibilities from Governments to women. It also recognized that in adopting economic policies, including structural adjustments, their impact on women was not always considered, and expressed concern over the continued marginalization and economic underdevelopment of rural women in this context. More specifically, the Platform indicated that persistent and unmanageable levels of external debt and structural adjustment programmes are among the reasons for the increase of poverty of women, which is also directly linked to the absence of economic opportunities, resources, education and support services. The Platform therefore recommended that States analyse policies and programmes, including structural adjustment and debt solutions, from a gender perspective, including with respect to their impact on poverty levels among and inequality of women. It also recommended that States allocate public resources to promote women's economic opportunities, and collaborate with international financial institutions to find solutions to external debt problems that allow the financing of programmes aimed at the advancement, empowerment and equality of women.[13]

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[12] Among the key ILO instruments are Convention No. 111 (1958) concerning discrimination in employment and occupation, Convention No. 100 (1951) concerning equal remuneration, Convention No. 156 (1981) concerning workers with family responsibilities and Convention No. 183 (2000) concerning maternity protection.

[13] See *Report of the Fourth World Conference on Women, Beijing, 4-15 September 1995* (United Nations publication, Sales No. E.96.IV.13), chap. I, resolution 1, annex II.

17. The Political Declaration adopted at the five-year review of the Beijing Declaration and Platform for Action (resolution S-23/2) stated that the implementation of both the Platform for Action and the Nairobi Forward-looking Strategies for the Advancement of Women should be made through the mainstreaming of a gender perspective into all policies and programmes. Furthermore, the declarations adopted by the Commission on the Status of Women at its 10- and 15-year reviews both emphasized that the effective implementation of the Beijing Declaration and Platform for Action was essential to the achievement of the Millennium Development Goals.[14] Similarly, the General Assembly in its resolution S-23/3 on further actions and initiatives to implement the Beijing Declaration and Platform for Action, underscored the fact that the impact of structural adjustment programmes and the high costs of debt servicing have aggravated the feminization of poverty and constrained the capacity of States to promote social development and provide basic services. The Assembly also identified the excessive hardships imposed on women as a result of economic restructuring and the withdrawal of services provided by the State. In this connection, the Assembly pointed out that women are the first to lose their jobs in times of recession and that they continue to suffer unequal access to training and productive assets. The Assembly called for the review, modification and implementation of macroeconomic and social policies to ensure women's equal access to resources and basic social services.[15]

18. The Doha Declaration on Financing for Development reaffirmed the commitment of States to eliminate gender-based discrimination and promote women's rights by: (a) eliminating discrimination in the labour and financial markets; (b) eliminating discrimination in the ownership of assets and property rights; (c) promoting women's economic empowerment; (d) giving women full and equal access to economic resources; (e) mainstreaming gender perspectives in economic programmes, law reforms and business support services; and (f) promoting the adoption of gender-responsive public management, including through gender-budgeting systems.[16]

19. The General Assembly, in its resolution 62/206 on women in development and its resolution 62/136 on the improvement of the situation of women in rural areas, encouraged Governments to: (a) create opportunities for the economic empowerment of women; (b) alleviate the burden of time-consuming daily tasks for women; and (c) adopt the necessary legal and administrative reforms to ensure that rural women are given full rights to own land and other property, access credit and financial markets, and access relevant information and technologies.[17]

20. The issues of equality, non-discrimination and participation as they relate to the realization of women's rights have also been addressed in the Millennium Development Goals and by the human rights treaty bodies. The human rights treaty bodies have also made observations concerning the impact of debt and related economic policy reforms on women.

21. Millennium Development Goal 3 establishes the need to promote gender equality and the empowerment of women, focusing on the necessity of guaranteeing equal opportunities by providing access to education for girls and stability for

[14] E/CN.6/2005/11 and Corr.1, chap. I.A, para. 3, and E/CN.6/2010/11 and Corr.1, chap. I.A, para. 3.

[15] Resolutions S-23/2, para. 8, and S-23/3, paras. 37-39 and 74 (c).

[16] Resolution 63/239, annex, para. 19.

[17] Resolutions 62/206, para. 1, and 62/136, para. 2 (q). See also resolutions 66/129 and 66/216.

women employed in the agricultural sector. It is widely accepted that progress on Goal 3, to promote gender equality and empower women, is integral to the achievement of other Goals, including Goal 8, which addresses foreign debt.

22. In its general recommendation No. 23, the Committee on the Elimination of Discrimination against Women noted that women have been usually assigned to the private or domestic sphere, which most societies treat as inferior. That designation, coupled with women's double burden of work (at home and in employment) and their economic dependence on men, has traditionally resulted in the exclusion of women from political decisions and public life, despite their fundamental role as the main sustainers of the family and society, and their vital contribution to development. In that context, the Committee has underlined the need for equality between men and women in the political and economic fields and the active involvement of women in decision-making at all levels. With regard to the particular situation of rural women, the Committee has also stressed, in its general recommendation No. 24, that States should take all necessary steps to facilitate physical and economic access to productive resources for rural women.

23. In its general recommendation No. 28, the Committee stressed, that in order to prevent discrimination, due diligence should be observed in relation to the activities of private actors in the education, employment and health-care areas, as well as in any other areas where non-State actors provide services, for example the banking and housing sectors.[18]

24. The Committee on the Elimination of Discrimination against Women also addresses the issue of debt and the feminization of poverty. In its concluding observations on the second periodic report of Guyana of 2001, the Committee recognized that the implementation of structural adjustment programmes and the increase of the debt burden, coupled with political instability, have impeded progress in the full realization of women's rights.[19]

25. In its concluding observations on the sixth and seventh periodic reports of Portugal in 2008, the Committee addressed the rights of women's organizations in the context of structural adjustment and stressed that such reforms to the national machinery should not restrict or negatively affect the capacity of women's organizations to contribute to the implementation of the Convention.[20]

26. With regard to the situation of rural women, in its concluding observations on the sixth periodic report of Brazil in 2007, the Committee pointed out that rural development policies should integrate a gender perspective and address the structural nature of poverty faced by rural women, and encouraged the Government to act in the areas of public health, education, literacy, enterprise development, skills training and microfinance, among others.[21]

27. The Committee on Economic, Social and Cultural Rights has also addressed the social and economic vulnerability of women. In its general comment No. 16, the Committee recalled that respecting and protecting the economic, social and cultural rights of women obliges States to conduct gender-based due diligence in the

[18] See also CEDAW/C/GC/28, para. 13, and Committee on Economic, Social and Cultural Rights, general comment No. 16, paras. 3 and 16.

[19] A/56/38, para. 161.

[20] CEDAW/C/PRT/CO/7, para. 23.

[21] CEDAW/C/BRA/CO/6, para. 32.

adoption of every law, policy or administrative measure in order to ensure that they do not impact negatively on the rights of women. It also entails ensuring that the conduct of non-State actors, including partially or fully privatized companies providing public services, do not obstruct women's enjoyment of those rights. States are also under the obligation to promote the equal participation of women in development planning and decision-making processes, as well as their representation in public office.[22]

III. Impact of debt and related policy conditionalities on women's rights

28. The information presented in this section is drawn from a range of sources, including information submitted to the independent expert in May 2012 by the Asia Pacific Forum on Women, Law and Development on the impact of foreign debt on women in the Asia-Pacific region, including the concluding observations of the treaty bodies (particularly, the Committee on the Elimination of Discrimination against Women and the Committee on Economic, Social and Cultural Rights).

29. International financial institutions, notably the World Bank, the International Monetary Fund (IMF) and the regional development banks, typically require borrower countries to reform their policies as a condition for loans, grants and debt relief.[23] Policy-based loans and debt relief often require that debtor or borrower countries implement reforms such as: privatization of State-owned enterprises (including electricity generation and distribution facilities, water utilities and telecommunications); reduction of Government spending for public services; wage freezes; introduction of user fees for basic services such as health and education; trade liberalization (involving removal or reduction of subsidies and import tariffs and promotion of exports); deregulation of investments; fiscal and monetary reforms (strict inflation targeting, accumulation of international reserves, currency devaluation and expansion of domestic credits); taxation reforms (such as introduction of a value-added tax and other regressive taxes, tax holidays for foreign corporations); and land reform (such as changes to laws governing ownership of land by foreigners).

30. Although the ostensible aim of these conditionalities is to promote economic growth and prosperity and to restore the debt-servicing capacity of borrower countries,[24] some research shows that, in fact, they have a negative impact on the realization of human rights over the longer term and that they have contributed to increasing poverty and the marginalization among the poor in many debtor

[22] E/C.12/2005/4, paras. 18, 20, 21, 28 and 30.

[23] Although the World Bank and IMF claim to have reduced the number of conditions attached to their loans, studies indicate that little has changed. Policy conditions, including privatization, cuts in public expenditure and liberalization, continue to be attached to loans and debt relief. See, for example, Nuria Molina and Javier Pereira, "Critical conditions: the IMF maintains its grip on low-income governments" (European Network on Debt and Development (EURODAD), April 2008); and B. Muchhal, N. Molina, P. Chowla and S. Ambrose, "IMF financial package for low-income countries: Much ado about nothing?" (2009).

[24] See IMF factsheet, IMF Conditionality, 30 March 2012 (www.imf.org/external/np/exr/facts/conditio.htm).

countries.[25] The adverse impacts of policy conditions attached to loans and debt relief include slower economic growth, increased unemployment, destruction of social safety nets, rising food prices, falling real incomes in poor households and increasing levels of poverty. Policy conditions also limit investment in basic social services and undermine debt relief efforts.[26]

31. Owing to their vulnerability and marginalization in many poor countries, women are disproportionately affected by debt and related economic restructuring. The social effects of debt obligations and economic slowdown affect women's employment, wages and access to essential goods and services and may even lead to a reduction in their levels of consumption and their access to services as they attempt to compensate for declining family income. Moreover, as services are cut and fees introduced to generate additional State revenues, women are, by default, the ones who must fill the gaps left in provision. While this enables their communities to weather the debt crisis, it reinforces the exclusion and dependency of women. To compound the situation, gender considerations are absent in these programmes and the resources borrowed from abroad are generally not allocated with the special situation of women being taken into account.

32. The following sections discuss the gender impacts of common policy conditionalities.

A. Austerity measures

33. Austerity programmes are often prescribed by multilateral lenders with the ostensible aim of addressing public deficits in debtor countries, usually through the reduction in the amount of benefits and public services provided by the State. They have long been a feature of international financial institution loan and debt relief packages for developing countries. Since 2009, however, strict austerity programmes have also been implemented in developed countries as a condition for the reduction of public debt with the aim of addressing public budget deficits said to have been occasioned by extensive spending under social welfare budgets during the financial and economic crisis and of promoting economic recovery. Nevertheless, the effectiveness of such measures has been questioned.

34. According to the United Nations Conference on Trade and Development (UNCTAD), the austerity programmes imposed upon certain countries, both currently and in the past, have largely had a negative impact on economic growth and fiscal balances because they significantly alter public revenue schemes, thus undermining any intended positive effects.[27] The available evidence suggests that the positive effects of IMF programmes have been largely overestimated. Similarly, a recent study by Friedrich-Ebert-Stiftung, a non-profit organization, on the current

[25] See, for example, Peter Hardstaff, "Treacherous conditions: How IMF and World Bank policies tied to debt relief are undermining development" (2008); Jeffrey D. Sachs, *The End of Poverty: Economic Possibilities for Our Time* (Penguin Press, 2005); and Martin J. Dent and Bill Peters, *The Crisis of Poverty and Debt in the Third World* (Ashgate, 1999).

[26] See John Weeks and Terry McKinley, "Does debt relief increase fiscal space in Zambia? The MDG implications", country study No. 5 (UNDP, International Poverty Centre, 2006).

[27] UNCTAD, *Trade and Development Report 2011: Post-crisis policy challenges in the world economy* (United Nations publication, Sales No. E11.II.D.3).

austerity programmes in Europe concludes that they overwhelmingly focus on public spending cuts with negative redistributive effects.[28]

35. In a recent report on austerity measures, the Parliamentary Assembly of the Council of Europe concluded that from an economic perspective, "cuts in government expenditures, social safety nets or wages are not effective measures against the (debt) crisis, given that they especially affect lower income groups and further undermine their capacity of consumption and self-subsistence".[29]

36. The implementation of austerity measures typically undermines the enjoyment of social and economic rights, given that austerity measures are often applied to public social services and programmes and thus tend to affect those already dependent on social welfare or lacking access to social services. In countries where they have been implemented, austerity measures have significantly increased health and education costs, thus undermining the enjoyment of economic, social and cultural rights. In Spain, for example, unemployment has reached over 24 per cent as a result of austerity measures.

37. There is evidence suggesting that the cumulative effect of fiscal measures taken to reduce net public spending is disproportionately greater on women, leaving many poorer.[30] The areas of spending traditionally targeted for cuts have been health[31] and education services, welfare assistance, development projects and other social expenditures. As women rely more than men on public services and welfare assistance, they are disproportionately affected by spending cuts imposed in the context of austerity measures.[32] For example, cutbacks in public health expenditures mean that women must spend more time taking care of sick family members, which reduces the amount of time available for remunerated work.[33] In response to such cutbacks, women are usually forced to increase household income by working longer hours, usually in the lowest earning informal sector jobs, and to increase the hours of unpaid work to make up for shortfalls in public services, notably in health care.

38. Austerity programmes, which usually include the introduction of user fees for essential public services, such as health care and education, to supplement or partly substitute Government spending or to help indebted countries raise funds for debt servicing, have resulted in the exclusion of poor women and girls from essential services, including primary education and reproductive health care, and have restricted their access to antiretroviral medicines. User fees have therefore led to higher maternal mortality rates in many countries, as well as lower literacy rates for women and girls.[32]

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[28] Arne Heise and Hanna Lierse, *Budget consolidation and the European social model* (Friedrich Ebert Stiftung, March 2011).

[29] Committee on Social Affairs, Health and Sustainable Development, "Austerity measures — a danger for democracy and social rights" (Council of Europe, Parliamentary Assembly, 2012).

[30] See, for example, "The Impact of Austerity on Women", Fawcett Society policy briefing, March 2012.

[31] Reductions in health spending range from cuts in personnel (usually women) to closures of hospitals and clinics, especially in rural areas, leaving many women without access to badly needed health care and medicines.

[32] See Gender Action, Gender Toolkit for International Finance Watchers, February 2011.

[33] See Suzanna Dennis and Elaine Zuckerman, Gender Guide to World Bank and IMF Policy-Based Lending (Gender Action, 2006).

39. Although user fees can provide much needed revenues for health-care systems in developing countries, they can be a regressive measure, as lower income households, which depend most on such services, must devote a larger proportion of their income to obtaining them. In this context, it is important to consider that user fees may act as a deterrent to those seeking needed care, especially poor women. Owing to income inequalities and insufficient access to resources and assets, when poor women face out-of-pocket costs, the cost of such care may be out of reach.[34] Women, who largely rely on these services, often cannot afford to pay even a small fee. This may have long-term implications for women's enjoyment of their economic, social and cultural rights.

40. Policy conditionalities often force Governments to raise revenues by imposing regressive taxes, for example value-added taxes, on goods and services. However, as these taxes apply uniformly to all segments of society, tax increases disproportionately affect the poor, who must pay a larger proportion of their income in taxes. Since women tend to have lower incomes than men, and since they make up the majority of the poor, regressive taxes take a larger proportion of their earnings. In addition, poor and rural women, as well as women breadwinners, see their real income and purchasing power reduced as they must spend more money to pay for essential food and services. Faced with insufficient resources, women may be forced to reduce their food intake or their access to essential services to provide for their families.

41. The independent expert is of the view that to avoid regressive taxes deepening gender inequality, States should exempt goods such as basic foodstuffs and medicines from value-added taxes. Instead, revenue should be raised through limiting tax breaks for private corporations, taxing financial speculation and addressing tax evasion.[35]

42. Debt-ridden Governments are often forced to retrench by reducing the number of public sector employees or freezing wages in the sector in order to save money to service the debt. Women often bear the brunt of cuts to public sector jobs, wages and pensions implemented as part of deficit reduction measures as they are often the first to lose jobs, largely due to their irregular contractual situation and the social assumption that men are the breadwinners. For example, the Office for Budget Responsibility in the United Kingdom estimates that 710,000 jobs will be lost in the public sector by 2017 as a result of public spending cuts.[36] Those job losses will have a significant impact on women since they account for 64 per cent of the public sector workforce.[30] Without employment and social benefits or pensions, women sink further into poverty.

43. Strategies to cope with the impact of reduced public spending can result in girls being withdrawn from school to supplement family income, increased prostitution, trafficking of women and girls, higher rates of HIV/AIDS infection and other violations of women's human rights.[33]

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[34] See Priya Nanda, Gender dimensions of user fees: Implications for women's utilization of health care, Center for Health and Gender Equity, 2002.

[35] See Ha-Joon Chang and Ilene Grabel, *Reclaiming Development: An Alternative Economic Policy Manual* (ZedBooks, 2004).

[36] See Office for Budget Responsibility, "Economic and fiscal outlook", November 2011 (http://cdn.budgetresponsibility.independentgov.uk/Autumn2011EFO_web_version_138469072346.pdf).

44. The independent expert considers that taking girls out of school as a coping strategy not only diminishes their chances to break out of the poverty trap but also violates the principles of equality and non-discrimination.

B. Privatization

45. Access to basic services, such as health care, education, water and sanitation, are basic human rights that are essential to the well-being of individuals. In developing countries, these services have traditionally been provided by Governments free of charge or at low cost. In order to reduce Government spending and generate revenue for debt servicing, [37] however, international financial institutions often require that debtor countries privatize ownership and/or operation of public utilities and services such as water, sanitation, electricity, health care and education. These utilities are usually purchased by private corporations based in developed countries.

46. Since private corporations are motivated by profit, they tend to focus on improving cost recovery and efficiency. As this section shows, privatization often results in price increases which limit poor people's access to basic services. Another consequence of privatization has been the significant deterioration of the quality of services.

47. It is notable that in its general recommendation No. 28 the Committee on the Elimination of Discrimination against Women stressed that in order to prevent discrimination against women due diligence should be observed in relation to the activities of private actors in the education, employment, and health areas, as well as in any other areas where non-State actors provide services.

1. Right to health

48. The privatization of public health services and the associated introduction of user fees in many developing countries have limited access to health services for vulnerable groups, including the poor, HIV-positive persons, sex workers, rural and indigenous women and migrant workers. In one country, for example, market-oriented health reforms, including privatization and financing of services through user fees or insurance appears to have made many health services inaccessible for rural women. [38] Among the total number of poor in the country (approximately 47 per cent), 70 per cent are women, more than 60 per cent of whom live in the rural areas.

49. In another country, the privatization of the State marketing board and the strategic grain reserve as a condition for debt relief, coupled with drought and floods, resulted in a food crisis that was reported to have forced desperate rural women and girls into and early marriage and, in some cases into sex work, thus increasing their exposure to HIV/AIDS. [39]

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[37] The other reasons for privatization include the need to create incentives for foreign investments and tackle the perceived inefficiencies of public management of services and enterprises.

[38] Asia Pacific Forum on Women, Law and Development, "Trapped: women bound by the chains of debt", submission to the independent expert (2012).

[39] Irene Phalula, "Malawi food crisis hits women hardest", 8 December 2005 (www.genderlinks.org.2a), see "Gender Guide to World Bank and IMF Policy-Based Lending" (2006).

50. In many cases, in response to increasing health-care costs, women and girls are forced to quit their jobs or leave school in order to care for ailing family members.

51. Rising costs limit access to services for women from low-income groups, as does gender-based inequality in access to and control over resources. The feminization of poverty creates specific difficulties for women in accessing health-care services, including sexual and reproductive health services, when such services are privatized and/or subject to user fees.

2. Right to education

52. Women are less likely than men to be educated, and in general they have less access to technologies and information. Cuts in education shift a significant part of the burden of education from the State to the family. When budgets shrink families tend to prioritize the education of boys over girls. As a result, more girls than boys are withdrawn from school to save tuition fees and other schooling costs, help with household work and find work to help with the family's increasing expenditures. As is too often the case, some girls may never return to school.[40]

53. As a result of the above-mentioned factors, there is a widening education gap between men and women (A/64/279, para. 40). The long-term costs of female illiteracy have an intergenerational impact on families and communities, and are difficult to reverse. Insufficient education also affects women's empowerment and their opportunities to fully participate in decision-making and public life, as they lack the skills to obtain better employment and have no access to basic information and technologies to lead their social, economic and family life. Insufficient female education can thus have significant social setbacks, including reduced household nutrition, increased child and maternal mortality and increased fertility.

3. Right to water and sanitation

54. In developing countries, women are primarily responsible for the collection, use and management of water for family consumption, as well as for the disposal of household waste. Such services have been targeted for privatization in debt-ridden countries. Privatization of water services usually entails increased fees, making water a larger part of poor household spending. In some cases, according to information from a non-governmental organization, privatization also involves cuts in services in certain areas and the relocation of water networks to more profitable locations. If the source of water is located at a distance from their homes, women must dedicate more time and effort to collect water; time which could have been used in more productive ways. Rural areas may remain without access to clean drinking water after privatization, forcing women to travel to collect water from communal faucets.

55. In addition, inadequate access to water significantly increases women's burdens as caregivers and household providers.

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[40] According to the World Bank and IMF, evidence from previous crises indicates that primary education completion decreases 29 per cent for girls and 22 per cent for boys during economic recession. Moreover, the female to male ratio of enrolment in school during crises falls 7 per cent for primary school, 15 per cent for secondary school and 40 per cent for higher education. See World Bank and IMF, *Global Monitoring Report 2010: The Millennium Development Goals after the Crisis* (Washington, D.C., 2010).

56. Poor women are often forced to use poor quality water, putting themselves and their families at risk of getting water-borne diseases. This is a particularly frightening alternative since 80 per cent of all illnesses are transmitted by contaminated water.[41] Water-related illnesses also drain limited household budgets as funds are diverted for medical expenses and/or purchase of water from small-scale vendors at exorbitant prices.

57. In one country, debt cancellation was made conditional on the privatization of the largest city's water and sewerage authority. The water supply facilities were sold to a private company, City Water, a joint venture between private companies based in two European countries, and the host country. This policy proved disastrous, resulting in reduced access to water for the poorest, both through cuts in services and through increased fees.[42] In this circumstance, although women have the primary responsibility for fetching water, the venture had o[illegible] to consider household gender relations or the needs of women and girls in the process. The profits from the high water prices were reaped by the company and other vendors of water, while poor women and girls continued to walk long distances to fetch water or to spend most of their household income on water instead of much needed food and education.[33] The Government nationalized the water supply system in 2005.

4. Right to work

58. Privatization of State-owned enterprises has also affected women's employment in many countries. The transfer of public companies to private hands has commonly been followed by processes of organizational restructuring and downsizing. These processes have had a proportionately greater impact on women owing to embedded gender stereotypes in the labour market, as well as the overrepresentation of women in the public sector workforce. Women are often the first to lose jobs and the last to be rehired because they are assumed to be secondary breadwinners.

C. Trade liberalization

59. Trade liberalization,[43] like privatization, is a key policy condition for the provision of loans or debt relief by international financial institutions to developing countries.[44] It involves measures such as the elimination of barriers to imports, the removal of subsidies and the scaling up of exports.

60. Although it is expected to create a supportive environment for trade and investment as well as stimulate export industries, all of which would provide much

[41] UN-Women, Women and Water UNIFEM Fact Sheet "At a Glance — Women and Water" (www.unifem.org/materials/fact_sheets.php?storyID=289).

[42] Romilly Greenhil and Irene Wekiya, "Turning off the taps: Donor conditionality and water privatization in Dar es Salaam, United Republic of Tanzania" (ActionAid International, September 2004).

[43] For a discussion of trade liberalization and its impact on human rights, see A/65/260.

[44] A study of HIPC decision-point documents for 26 countries found that all mentioned a previous, ongoing or future privatization process; 23 referred to past efforts to liberalize and 11 mentioned an ongoing process of liberalization. See Peter Hardstaff, "Treacherous conditions: How IMF and World Bank policies tied to debt are undermining development", World Development Movement, May 2003.

needed foreign currency to service debt payments, trade liberalization has resulted in reduced State revenues from tariffs, forcing Governments to cut spending to balance their accounts. As an alternate measure, Governments could compensate for the loss of tariff revenues by increasing domestic taxes, thus shifting the burden to domestic consumers. As explained above, reduced public spending and increased consumer taxes have a detrimental effect on women's enjoyment of economic, social and cultural rights. Moreover, trade liberalization, which allows the influx of foreign goods, coupled with the reduction of subsidies, makes it impossible for local industries and farmers to compete. These factors have a negative impact on women's employment and food security, and increase overall poverty levels.

1. Access to land and livelihoods

61. In most countries, land is a critical asset, particularly for the poor. Land tenure provides economic access to markets and social access. In addition to economic and social access, access to land confers rights to other resources such as pasture, water and trees. For many, the loss of land and agricultural opportunities means the loss of their livelihoods.

62. Trade liberalization has affected access to land for local communities in many developing countries. Some multilateral and regional agencies have provided financing and technical assistance for land sector deregulation to facilitate foreign direct investment. In some countries, the deregulation and privatization of land holdings has changed land distribution and local farming practices and has resulted in the replacement of indigenous plants with new crops. This has curtailed the access of local communities to land, natural resources and native foods.

63. For example, a recent study by the Oakland Institute has found that the World Bank, through a range of foreign direct investment policies, has facilitated the acquisition of land, often for institutional investment in large-scale commercial agribusiness. These acquisitions have largely been unregulated and have yielded few of the promised benefits to local communities. Instead, they are forcing thousands of small farming communities off ancestral lands, creating environmental destruction and food insecurity.[45] Such forms of land acquisition also fail to comply with the Bank's principles on large-scale responsible agricultural investment.[46]

64. Land deregulation has had a particularly adverse impact on women. Women, who account for 70 to 80 per cent of the world's small-scale farmers and, in some regions, provide up to 70 per cent of agricultural labour and produce more than 90 per cent of the food,[47] are often the first to lose their livelihoods in affected communities and the last to find work in formal sectors.

65. Trade liberalization can also cause massive job losses as local markets are eroded by the flood of imported goods. The destruction of domestic-oriented industries and farms results in widespread loss of livelihoods and employment in traditional industries, and has an adverse impact on female workers and farmers. As women are the first to lose their jobs and livelihoods, they resort to informal or

[45] Oakland Institute, "Dealing with disclosure: Improving transparency in decision-making over large-scale land acquisitions, allocations and investments", April 2012.

[46] See A/HRC/13/33/Add.2 for a discussion of large-scale land acquisitions and leases.

[47] See UN-Women (http://www.unifem.org/gender_issues/women_poverty_economics).

domestic work where they face poor working conditions, exploitation and even sexual abuse.

66. In many indebted countries, administrative and legislative reforms have been imposed as part of the trade liberalization agenda promoted by the international financial institutions to facilitate flexible labour arrangements. Although such reforms are expected to increase economic efficiencies and attract transnational corporations, such deregulation can result in the lowering of labour standards, with a particularly negative impact on women's working conditions.[33] Without formal education and marketable skills, many women are left at risk of trafficking and sexual exploitation, including exposure to sexually transmitted diseases.

67. In situations of growing unemployment and economic distress, women have resorted to employment in the domestic and export sectors. In many developing and emerging economies, women make up 60 to 80 per cent of workers in the manufacturing sector,[47] particularly in export processing zones and global supply chains, industries that are often characterized by irregular contracts, substandard working conditions, long working hours and lack of social and unemployment benefits. Workers in export processing zones work 25 per cent longer than in other areas, and women are paid 20 to 50 per cent less than men.[48] Women are forced to relinquish overtime pay and medical leave, and to accept deteriorating health, abuse and harassment.

68. Apart from loss of livelihoods, women risk increased care work, forced prostitution and human trafficking, rape or sexually transmitted diseases owing to the presence of industries (such as extractive projects) located in their communities as a result of investment promotion policies undertaken in the context of liberalization.

69. As a result of increased unemployment and poverty, there has been an increase of migration between and within countries. Patterns of migration have become more undocumented and feminized. Many debtor countries have become net exporters of female labour. Younger women, who form a large part of the migrant labour force, find jobs in other countries in the domestic, export and tourism sectors. Undocumented and deprived of labour protections, women are more vulnerable to exploitation, violence, and trafficking. In some countries, women make up to 80 per cent of the migrant population and the majority are employed as domestic workers.[49] Moreover, according to one non-governmental organization, labour export has become the leading industry in some East Asian industries affected by structural adjustment programmes, and the biggest source of foreign exchange for debt servicing.

70. For indigenous women, liberalization has created a number of problems, including: (a) displacement from their land and the subsequent destruction of indigenous economies; (b) the loss of livelihoods, natural resources and indigenous plants and seeds, and the resultant loss of traditional knowledge; and (c) the loss of

[48] Information based on UNCTAD press kit (http://www.unctadxi.org/templates/Page____509.aspx); "Gender and Trade in the Multilateral Trading System", Geneva Women in International Trade (2004).

[49] Information based on Ip Pui Yu, Asian Domestic Workers' Network, "Asian Domestic Workers' Network" 2010 (http://en.domesticworkerrights.org/?q=node/3).

income due to the replacement of women's handicraft products and other native products by manufactured goods.

71. It is worth noting that the 1995 Beijing Declaration of Indigenous Women denounced "the perpetuation of an economic growth development model which is export-oriented, import-dependent, and mired in foreign debt is the main reason for the increase of violence, sexual trafficking and labour exporting of indigenous women".[50]

2. Food security

72. Trade liberalization reforms imposed by international financial institutions as a condition for loans or debt relief have often increased the dependence of developing countries on food imports and exposed them to fluctuations in global food prices as the flood of cheap food imports destroys local markets, dismantles long-term productive capacity and destroys livelihoods of poor farmers, many of which are women. Without the buffer of local production, global price volatility can increase local prices. The reduction of subsidies to domestic farming and the deregulation of price control arrangements further affect food prices. Moreover, the promotion of export industries to facilitate debt repayment reduces the availability of essential goods for domestic consumption. The resulting rise in prices affects the purchasing capacity of low-income families.

73. Women bear the brunt of rising food prices and growing food insecurity in developing countries. Since the majority of household expenditures in poor families is spent on food, and since price increases are sometimes the highest for staple foods, women face a decline in real wages to meet the essential family needs. Women are therefore forced to take on income-generating activities to supplement family income, as well as to change household consumption patterns, consuming cheaper food with fewer nutrients or having fewer meals.

74. Coping strategies in low-income families affected by economic distress and adjustment, which often involve reducing the quantity and quality of food, have a particular effect on women and girls, and a negative impact on their nutrition levels. Evidence shows that women are usually the first to sacrifice their meals in such circumstances. This, in turn, results in increasing maternal and child mortality.[51]

75. In cases where agricultural exports flourish, women do not generally benefit as their work is mainly concentrated in food production and livestock care — they tend not to be cash crop producers like men. Moreover, women have less access to the credit and the technology necessary to improve agricultural productivity. Thus, women gain proportionately less than men from agricultural exports. Furthermore, when families grow cash crops for export, their work produces money instead of food, which is only useful if household decision makers (usually men) give priority to basic family needs. Unfortunately, this is not always the case.

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[50] See Beijing Declaration of Indigenous Women, para. 14 (September 1995), signed by 118 indigenous groups from 27 countries (see www.ipcb.org/resolutions/htmls/olec_beijing.html).

[51] See Submission of the Special Rapporteur on the right to food, to the United Nations Conference on the World Financial and Economic Crisis and Its Impact on Development, New York: 24-26 June 2009 (www2.ohchr.org/english/issues/food/docs/NoteCrisisFinal20062009.pdf).

D. Lack of participation and access to information

76. Women are routinely excluded from participation in decision-making processes at all levels. This includes participation in the design and implementation of policies and strategies relating to debt and economic reform. As a consequence, international financial institution loans and conditionalities, as well as national strategies to respond to debt crises, often fail to take into consideration a gender perspective. This has a detrimental impact on women as policies fail to appropriately address their particular situation and their needs. As a result, women experience greater obstacles in accessing opportunities, resources and claiming their basic rights, and gender inequality is deepened.

E. Poverty and gender inequality

77. Approximately 6 in 10 of the world's poor are women, while two thirds of the world's illiterate population is female.[52] Globally, women are more likely to be poor and disadvantaged, and to be at risk of hunger, because of the systematic discrimination they face in employment, education, health care and access to property, as well as their routine exclusion from decision-making and their underrepresentation in government at all levels.

78. The increase of poverty among women is directly linked to the absence of economic opportunities, resources, education and support services. When Governments devote large portions of national revenue to repay debt and impose stringent austerity measures, the very services and opportunities that are needed to raise the status of women in their societies become unattainable. In addition, as discussed above, policy conditionalities have added to women's unpaid and informal work, limited their opportunities to work and participate in public life, affected their access to health, education and other essential services and further restricted their access to credit and productive assets. The excessive hardships endured by women as a result of economic restructuring further increase female poverty and entrenches gender inequalities within the family and in society as a whole.

IV. The impact of debt cancellation

79. Debt cancellation under the international debt relief mechanisms has led to the fall in the relative size of debt for many poor countries and to an increase in public spending. According to the World Bank and IMF, debt relief provided under the Heavily Indebted Poor Countries' (HIPC) Initiative and the Multilateral Debt Relief Initiatives (MDRI) "has substantially lowered the debt burdens" of heavily indebted poor countries and "for the 36 post-decision point countries, poverty reducing spending increased by more than three percentage points of gross domestic product (GDP), on average, between 2001 and 2010, while debt service payments declined by a somewhat smaller amount".[53] IMF and the World Bank estimate that debt

[52] See UN-Women (http://www.unifem.org/gender_issues/women_poverty_economics); see also United Nations Development Programme (UNDP), Fast Facts, Gender Equality and UNDP, July 2011.

[53] See IDA and IMF, "Heavily Indebted Poor Countries (HIPC) Initiative and Multilateral Debt Relief Initiatives (MDRI): Status of Implementation and Proposals for the Future of the HIPC Initiative", 8 November 2011.

payments for heavily indebted poor countries have fallen from over 4 per cent of national income in 2000 to 1 per cent of national income in 2009, while poverty reducing spending has increased from 7 per cent of national income in 2000 to 9 per cent in 2009.[53]

80. Where debt has been cancelled, countries have been able to increase investment in public services, such as health care, education, water and sanitation, and to abolish user fees for some of the services (such as fees for heath care and primary education) previously introduced as part of austerity measures imposed by the international financial institutions, thereby enhancing the enjoyment of the rights to health, education, water and sanitation. For example, according to World Bank estimates, health expenditures in the 32 HIPC-completion countries increased from 5.2 per cent of GDP in the period 1995-2000 to 6.6 per cent in the period 2006-2009. In the field of public education, user fees have been reduced, with primary school enrolment increasing, from 59 per cent of children in the early to mid-1990s to 83 per cent in 2010, in the 19 HIPC-completion-point countries in which data is available.

81. Debt cancellation has helped more women and girls gain access to basic services. For example, in the 32 countries which have completed the HIPC process, the ratio of boy/girl enrolment in primary school rose from 8 for every 10 boys enrolled in primary school in 2000 to 9.5 by 2010.[54] For example, in Uganda, debt relief policies have enabled the Government to abolish fees for primary school, resulting in an increase in the number of children attending school.

82. In Mauritania and the Plurinational State of Bolivia, attended births grew from 40 per cent to 60 and 70 per cent after funds from debt relief were directed to the health sector. In Benin, the Plurinational State of Bolivia, Sao Tomé and Principe and the United Republic of Tanzania, savings from debt relief have been used to fund schemes to educate mothers about nutrition and family planning. Similarly, Benin and Niger used funds from debt cancellation to increase access to water. This has benefited women and girls since fetching water is usually their responsibility.[55]

83. Given women's reliance on Government services, the figures show the potential that debt cancellation and proper use of the resulting savings can have on women's empowerment and access to economic, social and cultural rights.

84. It is important, however, to stress that debt relief has generally not reduced the vulnerability of heavily indebted poor countries and that many remain heavily dependent on foreign borrowing and investment. A recent World Bank and IMF assessment of 68 low- and middle-income countries indicates that 5 are in default on at least some of their debt payments, 15 are at high risk of not being able to pay their debts, 23 are at moderate risk of not being able to pay their debts and 25 are at low risk of not being able to pay their debts.

[54] Statistics are taken from Tim Jones, "The state of debt: putting an end to 30 years of crisis" (Jubilee Debt Campaign, 2012), p. 19. Statistics were calculated using data from debt sustainability analyses carried out by the World Bank, Global Development Finance and IMF. See also IDA and IMF, "HIPC Initiative and MDRI Initiative: Status of implementation and proposals for the future of the HIPC Initiative", 8 November 2011.

[55] See Jubilee Debt Campaign, "Debt and women" (briefing/07).

85. In addition, there are many low- and middle-income countries that have not qualified for debt relief but continue to have large debt burdens.[56] In the opinion of the independent expert, cancellation of unpayable debt will help free up resources that poor countries can use for social investment in keeping with their commitments on women's rights.

86. The independent expert further considers that debt cancellation alone will be insufficient to put countries on a path to sustainable development. There is need for countries to use the resources that they already have. This requires mobilizing domestic resources through collection of tax revenues (including tax breaks for transnational corporations) and ensuring that local capital is invested within the country. And, as the Jubilee Debt Campaign has observed, monitoring and regulating capital flows are important tools to enable countries to use their own resources.[57] This requires international cooperation in addressing tax avoidance, evasion and illicit capital flight.

V. Conclusions and recommendations

87. **Policy conditionalities attached to the loans and debt relief schemes of international financial institutions disproportionately affect women's access to essential resources and services, thereby undermining the enjoyment of their rights. Conditionalities have also contributed to the feminization of poverty and the deepening of gender inequality. Without gender considerations being taken into account in the design and implementation of debt and debt relief strategies, it is unlikely that efforts to reduce and manage foreign debt will lead to substantial poverty reduction and enhance gender equality.**

88. **In order to ensure that debt, austerity and related economic reforms do not undermine women's enjoyment of human rights, particularly economic, social and cultural rights, the independent expert recommends that:**

(a) States should uphold their commitments concerning women's rights and ensure that agreements concerning loans, debt and debt relief do not undermine women's human rights. Moreover, States should establish effective remedies for violations arising from or related to the implementation of those agreements;

(b) States should ensure that macroeconomic policies are designed to promote the economic empowerment of all and that such policies do not create an adverse impact on the realization of women's rights. In particular, States should mainstream gender perspectives in debt-related economic policies, law reforms, revenue-raising policies and poverty reduction strategies;

(c) To comply with their obligations under the Convention on the Elimination of All Forms of Discrimination against Women and other international treaties prohibiting discrimination and guaranteeing equality, States must adopt strategies on gender-responsive budgeting to ensure that

[56] For example, El Salvador, Kenya, the Philippines and Sri Lanka continue to spend a quarter of Government revenue on foreign debt payments.

[57] Tim Jones, "The state of debt: putting an end to 30 years of crisis" (Jubilee Debt Campaign, 2012).

inequality in policies, plans, programmes and budgets, including those relating to foreign debt, are addressed and modified where necessary. Gender-responsive budgeting offers a practical application of gender mainstreaming that can allow Governments to make the best use of scarce resources and improve the effectiveness of fiscal policies;

(d) States should promote the equal and active participation of women in the development planning and decision-making processes related to debt management, as well as their representation in relevant public institutions;

(e) International financial institutions and private institutions should adopt, and comply with, their own safeguard measures to protect women's economic, social and cultural rights;

(f) States should promote women's equitable control over land, natural resources and property through the adoption of legislative reforms, such as land reform, and the promotion of changes in discriminatory social practices;

(g) To improve the situation of rural women, States should create opportunities for their economic empowerment, eliminate harmful conditionalities that undermine local markets, improve women's ability to market their produce, and adopt the necessary legal and administrative measures to ensure women's ownership of property and access to credit, information and technologies;

(h) States should acknowledge the cumulative impact of austerity on women's rights and take steps to address the resulting harm. In particular, States should pay attention to the gender impact of reductions in public services, social security benefits, childcare facilities and public employment, and to the increased level of unemployment among women, and take measures to prevent greater impoverishment of women.[58] Where necessary, States should adopt temporary special measures to accelerate the equal enjoyment by women of all economic, social and cultural rights;

(i) International financial institutions and other lenders should stop linking the provision of loans, grants and debt relief to harmful policy reforms that undermine democratic processes in borrower countries, reduce women's access to resources and service, deepen inequality and contribute to the feminization of poverty. Instead, measures should be taken that aim at increasing public revenues by taxing higher income earners, enhancing tax collection and the fight against tax evasion.

[58] See A/HRC/20/23 and Corr.1, annex, para. 14.